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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
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PLENTY OF ACTION

Now things have moved along from the season of plans to the season of action. Crops are rapidly going into the ground in the South and Southwest, and the plows are out over a large part of the country.

If we could all carry in mind more completely the picture of economic relationships, it is likely the whole community would give earnest attention to the farmer's situation this year. For, unless a number of far-sighted men are mistaken, no distant day may find agricultural buying power the main back-log of prosperity.

There is a background of cumulative pressure over the country, which bears down heavily as the months go by. The reserves are low. In the wheat territory and places in the range territory and even farther eastward, this cumulative pressure is showing up sharply in bank failures, bankruptcies, and foreclosures.

It is perhaps inevitable that these times should tempt men into radical shifts from one enterprise to another. The weight of production swings from feed crops to the animals that eat them; from animals to direct money crops; then back again. Though too early to actually measure changes, the outlook this spring appears to include a sentiment somewhat in favor of corn over hogs, of dairy products over cash crops in parts of the West, of sheep over cattle, of poultry over fruit. The Cotton Belt alone appears fixed in its purpose to stick to its major line and to plant more thereof.

Many wise farmers, however, hesitate to follow the crowd in these continual shiftings. They realize that the difficulties of this period are less to be met by chasing elusive price advantages of the moment than by following the tried and tested system and leaving no stone unturned to improve that system. If there is a lesson in the occasional farm able to show a profit - even from the last two years - it is that efficiency and rigid economy now mean everything and that continual change is a will-o'-the-wisp.

There is one other lesson, also. It is that the surest way to make wages these days is to put some labor on vegetables, fruit, wood, meat, poultry and dairy products for use at home. Not since the days of homespun shirts and tallow candles has it been so essential to make the farm produce most of the family's living.

KEY REGIONS AT A GLANCE

THE EAST - Finally experienced a taste of real winter, though with moderate fall of snow. Ice harvest and woods work well along. Prices of most leading products have improved, except milk. North getting ready for maple sugar season.

THE SOUTH - Accomplished considerable preparation of land and some planting. Truck crops already up have been somewhat retarded by raw weather. Cotton planted in many Gulf areas; still talking increased acreage. Fruit well started.

THE CORN BELT - Field work mostly at standstill. Bad roads have also hampered market movement. General preparation for spring work. Winter grain has come through in fair shape, notwithstanding some severe temperature and ice storms. Taking note of increasing price spread between choice and coarser types of hogs and cattle. Seed corn situation said to be worst in years.

THE WHEAT BELT - Generally good reports on condition of winter wheat. Some spring grain planted from Kansas southward. Spring wheat territory in poor spirits but getting ready for work. Still keenly interested in legislative relief measures.

RANGE COUNTRY - Generally coming through the winter in good shape. Feeding necessary in some central areas but range is open over much of the territory. Lambing progressing satisfactorily in the Southwest and shed lambing in the North. Shearing also going forward in the South. Livestock generally in good condition.

PACIFIC COAST - Mild weather and general progress at spring work. Pruning orchards in North; field work also well started. Barley, sugar beets and truck planting well along in California. Lambing progressed with excellent results. Almonds and apricots blossoming; peaches begun. South still suffering from drouth, with bad effects on grain and pasture.

VALUE OF FARM PRODUCTS IN 1923

Following figures represent the value of farm products in 1923, based upon preliminary estimates of production and average prices at the farm December 1. Compiled by Division of Crop and Livestock Estimates, B. A. E.:

	<u>1923</u>	<u>1922</u>
Total cereals.....	\$ 3,793,000,000	\$ 3,571,000,000
Cotton lint and seed.....	1,769,000,000	1,306,000,000
Flax fiber and seed.....	37,000,000	22,000,000
Total fruits and fruit products.....	681,000,000	692,000,000
Hay and forage.....	1,480,000,000	1,399,000,000
Total legume seeds.....	175,000,000	165,000,000
Seeds for planting.....	38,000,000	48,000,000
Total sugar crops.....	142,000,000	128,000,000
Tobacco.....	299,000,000	289,000,000
Total vegetables.....	1,089,000,000	894,000,000
Farm forest products.....	318,000,000	305,000,000
Other crops.....	132,000,000	126,000,000
<u>Total crops.....</u>	<u>9,953,000,000</u>	<u>8,945,000,000</u>
Total animals raised.....	2,397,000,000	2,574,000,000
Bee products.....	11,000,000	11,000,000
Total dairy products.....	2,566,000,000	2,085,000,000
Total poultry products.....	1,047,000,000	918,000,000
Wool.....	87,000,000	69,000,000
Other animal products.....	3,000,000	2,000,000
<u>Total animal products.....</u>	<u>6,111,000,000</u>	<u>5,659,000,000</u>
<u>Total crops and animal products</u>	<u>16,064,000,000</u>	<u>14,604,000,000</u>
Value of crops fed to livestock	3,860,000,000	3,360,000,000
VALUE CROPS NOT FED PLUS ANIMAL PRODUCTS	12,204,000,000	11,244,000,000

Compared with the corresponding valuation for 1922, the 1923 figures show material increase in value of cereals, cotton, poultry, and dairy products; decrease in animals raised.

AVERAGE PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS
Month Ending February 1, 1924.

Actual prices received at the farm by producers. Average of reports covering the United States, weighted according to relative importance of county and State. Figures compiled by Division of Crop and Livestock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available months.

	Jan. 1913	Jan. 1923	Dec. 1923	Jan. 1924
Cotton, per lb.	¢ 12.0	25.2	32.1	32.5
Corn, per bu.	¢ 49.8	70.2	72.2	73.6
Wheat, per bu.	¢ 78.0	104.6	94.5	96.7
Hay, per ton	\$ 10.98	11.98	13.15	13.59
Potatoes, per bu.	¢ 51.8	62.0	81.5	86.4
Oats, per bu.	¢ 32.3	41.5	42.6	43.4
Apples, per bu.	¢ 74.3	131.5	114.0	121.3
Beef cattle, per 100 lbs.	\$ 5.40	5.51	5.26	5.38
Hogs, per 100 lbs.	\$ 6.77	7.77	6.39	6.59
Eggs, per dozen	¢ 24.8	37.8	45.5	35.4
Butter, per lb.	¢ 28.0	43.0	45.8	44.9
Wool, per lb.	¢ 18.6	35.3	36.2	36.6
Veal calves, per 100 lbs.	\$ 7.06	8.05	7.75	8.36
Lambs, per 100 lbs.	\$ 6.03	10.69	10.10	10.19

The month's trend was slightly upward in case of the crops, likewise in case of the animal products except butter and eggs.

Products higher than the general price level included: cotton, eggs, wool and butter. Products below the general price level included potatoes, corn, wheat, hay, beef cattle, hogs. This situation was identical with the previous month.

PRICE INDEXES FOR MONTH ENDING FEBRUARY 1, 1924.

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics. Shows year ago, and latest available months:

Farm Products

(Prices at the farm)

	Jan. <u>1923</u>	Dec. <u>1923</u>	Jan. <u>1924</u>	Month <u>Trend</u>
Cotton	203	259	262	Higher
Corn	118	122	124	Higher
Wheat	133	121	123	Higher
Hay	109	120	124	Higher
Potatoes	96	127	134	Higher
Beef cattle	93	89	91	Higher
Hogs	104	85	87	Higher
Eggs	196	236	183	Lower
Butter	159	170	166	Lower
Wool	211	217	219	Higher

Commodity Groups

(Wholesale Prices)

	Jan. <u>1923</u>	Dec. <u>1923</u>	Jan. <u>1924</u>	Month <u>Trend</u>
Farm products	143	145	144	Lower
Food, etc.	141	147	143	Lower
Cloths & clothing	196	203	200	Lower
Fuel & lighting	218	162	169	Higher
Metal & met. products	133	142	142	Same
Bldg. materials	188	178	181	Higher
Chemicals, etc.	131	130	132	Higher
House-furnishing goods	184	176	176	Same
<u>ALL COMMODITIES</u>	156	151	151	<u>SAME</u>

RELATIVE PURCHASING POWER

(At January 1924 Farm Prices)

1913 = 100

<u>In terms of:</u>	<u>Of a Unit of:</u>				
	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All comodities	174	82	81	82	89
Cloths, etc.	131	62	62	62	67
Fuel, etc.	155	73	73	73	79
Metals, etc.	184	87	87	87	94
Bldg. materials	145	69	68	69	74
House-furnishing goods	149	70	70	70	76

	<u>Beef cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	60	58	121	110	145
Cloths, etc.	45	44	91	83	109
Fuel, etc.	54	52	108	98	130
Metals, etc.	64	61	129	117	154
Bldg. materials	50	48	101	92	121
House-furnishing goods	52	49	104	94	124

In the crop group, the month showed slight but general increases in indicated purchasing power.

Among the livestock products, the only change of accounts was a decline in eggs (a seasonal trend).

Farm products as a whole improved slightly in indicated position, the purchasing power index advancing one point and standing at 74 for January.

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SUMMARY OF PRICE INDEX NUMBERS

1913 = 100

In the following, farm price indexes are compiled by this Bureau; wholesale prices are the Department of Labor indexes. Purchasing power represents relationship between prices, at the farm, of farm products and wholesale prices of non-agricultural products, unit quantities being considered in each case.

Year and month	Farm Price Crops 15th of month	Farm Price Livestock 15th of month	Farm Price Crops and Livestock Combined	Wholesale price All Commodities	Wholesale price of Non-Agrl. Commodities*	Purchasing Power of Farm Products#
1913	100	100	100	100	100	100
1914	108	103	106	98	94	112
1915	110	95	102	101	97	106
1916	124	111	118	127	132	89
1917	208	164	186	177	176	106
1918	224	192	208	194	186	112
1919	234	198	216	206	195	111
1920	238	168	203	226	234	86
1921	109	107	108	147	161	67
1922	113	111	112	149	163	69
1923	136	103	120	154	167	72
1920 Jan.	245	173	209	233	227	92
1921 "	125	120	123	170	188	65
1922 "	98	95	96	138	150	65
<u>1923</u>						
January	126	106	116	156	170	68
February	130	107	118	157	172	69
March	134	106	120	159	175	69
April	139	107	123	159	176	70
May	140	105	123	156	172	71
June	139	100	120	153	168	71
July	136	102	119	151	165	72
August	136	102	119	150	163	73
September	138	109	123	154	164	75
October	139	103	121	153	161	75
November	137	97	117	152	160	73
December	137	94	116	151	158	73
<u>1924</u>						
January	140	97	119	151	160	74

* "All commodities", excluding farm products and food.

Expressed in terms of non-agricultural commodities.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1921 Total	435,606	340,908	41,040	19,764	24,168	472,011
1922 "	413,106	378,598	44,067	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1923 Jan.	38,002	37,526	5,306	1,876	1,636	40,613
" Feb.	21,533	31,901	4,492	1,427	1,366	33,839
" Mar.	22,081	24,710	4,928	1,502	1,430	41,575
" Apr.	21,785	16,836	4,318	1,670	1,447	40,825
" May	17,457	10,809	4,524	1,900	1,794	54,617
" June	18,217	14,610	4,204	1,629	1,426	76,403
" July	36,435	18,515	4,181	1,903	1,661	64,086
" Aug.	63,012	20,845	3,714	2,214	1,800	47,831
" Sept	44,196	18,355	3,607	2,295	2,659	41,907
" Oct.	38,380	16,541	4,816	2,802	3,465	38,558
" Nov.	36,576	23,280	5,416	2,182	1,816	33,774
" Dec.	28,756	37,930	5,825	1,810	1,526	35,179
1924 Jan.	15,548	30,594	6,253	1,888	1,697	37,689

Corn movement of January lighter than year before; wheat much lighter.

January hog movement heavier than previous month or year ago.

Cattle and sheep practically same as in January a year ago.

Butter receipts on the increase.

THE TREND OF EXPORT MOVEMENT

Compiled from Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT including flour	TOBACCO (Leaf)	BACON HAMS AND SHOULDERS	LARD	TOTAL* MEATS	COTTON# running bales
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1922 January	15,010	32,265	48,120	73,194	55,807	476
1922 12 months	232,302	430,908	631,452	766,950	734,118	6,114
1923 January	12,519	41,309	74,432	107,786	86,938	474
" February	12,197	24,380	64,488	89,056	75,023	360
" March	10,725	31,688	66,441	109,187	75,933	318
" April	10,195	40,141	68,528	85,475	77,963	260
" May	14,396	28,421	64,608	93,199	72,605	160
" June	12,881	49,730	59,473	64,605	68,799	215
" July	12,822	44,105	64,264	69,479	74,127	172
" August	19,929	33,480	69,194	83,758	80,112	244
" September	22,465	37,646	76,911	83,630	88,833	689
" October	18,652	44,949	72,341	76,378	83,183	774
" November	12,147	49,381	71,947	74,251	85,069	767
" December	12,991	49,270	76,263	98,578	89,890	846
1923 12 months	171,919	474,500	828,890	1,035,382	958,475	5,279
1924 January	12,143	47,579	79,067	132,758	90,430	547

The country continues to send larger quantities of pork products abroad.

Wheat exports about the same.

Cotton exports below previous month but considerably exceed same months a year or two years ago.

* Includes fresh, canned and pickled beef, bacons, hams and shoulders, fresh, canned, and pickled pork, mutton and lamb.

Includes linters.

THE COLD STORAGE SITUATION

Feb. 1 holdings (Shows nearest million, six figures omitted:)

<u>Commodity</u>	<u>5 Year Average</u>	<u>Year Ago</u>	<u>Month Ago</u>	<u>Feb. 1, 1924</u>
Creamery butter, lbs.	34	16	30	15
American cheese, lbs.	26	27	50	40
Case eggs, cases	.2	.2	1.9	.5
Total poultry, lbs.	104	122	93	100
Total beef, lbs.	191	114	106	102
Total pork, lbs.	718	689	709	802
Lard, lbs.	87	56	49	56
Lamb & Mutton, lbs.	21	6	2.5	2.3
Total meats, lbs.	1,023	876	900	989
Apples, bbls.	4.5	5.4	9.7	7.8

Storage holdings of dairy products and eggs decreased further during December. Meats went into storage. This is the natural seasonal condition.

Compared with the average situation this date, stocks are low in case of butter, beef, lard and mutton; high in case of pork, apples and eggs.

The low storage holdings strengthen the position of butter and lamb producers, while the opposite is true of American cheese and eggs.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1923 Jan.	1923 Dec.	1924 Jan.	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	104	94	97	Increase
Bituminous coal (Millions tons)	50	40	51	Increase
Automobiles produced (Thousands)	224	275	278	Increase
CONSUMPTION				
Cotton by mills (Thou. bales)	610	462	576	Increase
Unfilled orders Steel Corp. (Thou. T.)	6,911	4,445	4,798	Increase
Building contracts (Millions dollars)	217	268	261	Decrease
Hogs slaughtered (Thousands)	3,395	3,919	4,016	Increase
Cattle " "	1,086	1,018	1,155	Increase
Sheep " "	897	837	920	Increase
MOVEMENTS				
Bank clearing (N.Y.) (Billions dollars)	20	19	21	Increase
Mail order sales (Millions dollars)	27	36	31	Decrease
Men employed, 1428 firms (Thousands)	1,938	1,986	2,006	Increase
Interest rate, Coml. Paper (60-90D)	4.63	4.97	4.88	Decline
Av. price 25 indus. stocks (Dollars)	110	109	112	Higher
Retail Food Price Index (Dept. Labor)	146	150	149	Lower
Wholesale Price Index (Dept. Labor)	156	151	151	Unchanged

Business shows a continued heavy volume. Production is heavy, movement active, and the general price level stable.

Recently the stock market has shown a downward trend, but interest rates are still low and bond prices strong.

In relation to agriculture, the situation has not changed materially from previous months. Farmers are still up against a high wage level but on the market side still have such advantage as goes with high buying power in the cities.

NOTES ON THE EGG AND POULTRY SITUATION

L. M. Davis, Division of Dairy and Poultry Marketing, B. A. E.

The year 1923 marked an increase in poultry and egg production in the United States and 1924 bids fair to show still larger production, with fully 10 per cent more poultry on farms. Efficient production, of a high quality product will be of great importance in making poultry and eggs profitable and in encouraging consumption of a larger supply.

Receipts of eggs and poultry at the principal wholesale markets during 1923 were evidence of an apparently increased production during the year. Such statistics as are available indicate that receipts of eggs were approximately 4 per cent heavier, live poultry some 7 per cent heavier, and dressed poultry over 20 per cent heavier than in 1922. The differences between the movement of eggs and poultry were large, but may be attributed to the fact that the heavy movement of poultry to market in 1922 did not get well under way until late in the season and continued over into 1923, with the result that comparative statistics on a calendar year basis are somewhat misleading because of this seasonal influence.

In the case of eggs, however, the calendar year comparison is a more logical one. Nevertheless, it is not wise to regard the receipts of eggs at wholesale markets too seriously as an index of production, because of heavy inter-market shipments which may have occurred at times, also because egg production is so widely scattered over the entire country, and because local consumption responds very readily to price changes, more so perhaps than in the case of numerous other staple foods.

Heavy Storage Holdings

Naturally, with a heavier production during 1923, there was an active storage movement. For several years the holdings of eggs have shown greater accumulations during the storing season than each preceding year, a condition which operators have watched with concern. Peak holdings of eggs have been reached in August, and were 605,000 cases in 1921, 10,160,000 cases in 1922, and 10,509,000 cases in 1923. So disturbed were operators over the heavy 1922 movement into cold storage that an organized campaign to increase consumption was conducted, with favorable results. This was not done in 1923, however, and on January 1, 1924, with holdings reduced to 1,926,000 cases, there was still a surplus of 615,000 cases over the preceding year, which is suggestive of a rather sluggish movement at

a time when an active movement was essential in order to avoid losses. Complaints from the trade indicate that the 1923 egg deal was disastrous to many, and while possibly not attributable to this directly, failures of some firms which up to that time had been fairly sound financially did occur.

Holdings of frozen poultry were in a more favorable position than eggs on January 1, 1924, being 6.5 per cent less than the previous year. But with rough estimates of poultry on farms on January 1 this year placing the number fully 10 per cent more than a year ago, what the coming season has in store remains to be seen. An opinion at this time would be merely a matter of conjecture. Poultry production and egg production both react more or less readily to conditions, and respond to similar influences, though not necessarily in the same direction.

Possible Heavier Production Ahead

A heavier egg production in 1924 than in the previous year is indicated, especially if egg prices hold to a level which is profitable for producers, and if poultry prices do not follow a course which will make the selling of poultry appear more profitable than the production of eggs. Price will be the determining influence. Should prices of either eggs or poultry work toward lower levels, efficient production and quality production will become of even greater importance than now, the former because of its effect upon costs, the latter because of its effect upon consumption.

The 1923-24 storing season for poultry is now under way. The peak will probably be reached during February. Total holdings February 1 were close to 100,000,000 pounds, but were nevertheless about 16 per cent lower than on February 1 a year ago. This reduction does not apply alike to all classes, for with holdings of frozen turkeys up to 14,484,000 pounds, the supply of turkeys in storage is the largest of any time since such statistics first became available in 1916.

Among the more important happenings in the import situation during 1923 were the heavy imports of dried and frozen eggs which amounted to 16,253,000 pounds, a drop of but approximately 2,000,000 pounds under the 1922 imports. The principal foreign source of supply was China, where an important industry in the preparation of dried and frozen eggs has been built up within recent years. Imports of shell eggs in 1923 were 412,149 dozen, as compared with 1,019,170 dozen in 1922. Exports of both poultry and eggs in 1923 were lighter than the previous year.

THE TREND TOWARD DIVERSIFICATION IN WASHINGTON

R. N. Miller

From our experience in Washington, I would say that in new country there is a cycle of specialization which often results in a considerable loss to individual farmers before this tendency has reached its climax.

Twenty-five years ago there was more diversification in the Palouse country of Washington than at the present time. Farm flocks of sheep, herds of dairy cows, larger flocks of poultry, and a considerable amount of swine were generally found on farms. Perhaps this was caused by the extreme low price of grain, however, it will be noted that the products of diversification were likewise cheap in price.

As wheat prices began to get a little better, farmers tended toward specialization in wheat. When the great orchard sections of this State were formed the slogan of "High-class Fruit" was adopted. The fruit farmer and the wheat farmer began to specialize in their line, producing only the commodity that they formerly had as the major enterprise. This trend toward specialization reached its climax within the last few years and now we are facing a time when farmers are attempting to diversify. Even on farms where the rainfall is less than twelve inches, farmers look with favor upon cows, chickens, a small flock of sheep or some swine.

I think that the higher price of poultry and eggs, and dairy products, had an effect on the diversification of farms. Many carloads of dairy cows have been shipped from western Washington and western Oregon into parts of eastern Washington. In the town of Palouse, which is about 17 miles from Pullman, the farmers have interested an outside company in putting up a large creamery which they insist will be expanded into a condensed or powdered milk plant. The farmers near Walla Walla have taken over a large cooperative creamery and milk distributing plant. The farmers at Ellensburg are just now establishing a large cooperative creamery. The farmers at Yakima completed their organization over a year ago, and the farmers in the territory surrounding Spokane have had an organization for about two years.

In nearly all parts of eastern Washington where specialization was the rule, we find people attempting to grow something besides their speciality. In orchard sections, where the entire farm is planted to trees, there is a decided trend toward more poultry. Corn is becoming a common crop in the warmer valleys and we believe that the production of hogs will be on the increase, for all of the eastern Washington farmers are receptive toward diversification as never before. In all of our farm management schools farmers are eager to find some way of increasing their income by providing more days of productive labor during the year.

THE MARKET SITUATION IN GRAINS AND HAY

G. A. Collier, Grain Market News Service, B. A. E.

Prices on all grains have made steady advances during the past month. There has been increasing activity in the markets and they are now probably on a better basis than at any time since the beginning of the present crop year.

In the future markets, wheat has again become the leading grain and prices have been advanced about 5 cents per bushel since the first of the year. While more strength has developed recently in the Liverpool market, the foreign situation is practically unchanged. Revised estimates of acreage planted to fall sown grains show increases over those for 1922. Estimates of production of wheat in Australia and Argentine also indicate larger surpluses for export than during the previous year.

These conditions, however, are not receiving as much attention as some time ago and there is a feeling among the trade that the wheat market is now upon, or is rapidly approaching, a domestic basis.

Reports received by the Department of Agriculture indicate that about 75 per cent of the soft winter wheat and from 80 per cent to 85 per cent of the hard winter and spring wheat had been marketed up to the first of the year. Current reports from the markets also indicate that stocks in country elevators are light, which together with the small stocks on farms are likely to be reflected in a continued light movement to the markets.

Receipts at the principal markets during the past month have been only of moderate volume and have been less than the current demand resulting in a decrease in the visible supply at a rate of about a million to a million and a half each week.

This large visible supply which amounted to about 75,000,000 bushels at the beginning of the year has been the principal weakening factor in the market but this has decreased about 10,000,000 bushels since January 1 whereas during the corresponding time last year the visible supply increased about 7,000,000 bushels.

The principal demand has been from mills and other consuming agencies as but relatively small amounts have been exported. A very large percentage of the exports of wheat from the United States during the past month has been from the Pacific Coast ports. Practically

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all the exports of wheat from the Atlantic Coast ports have been of Canadian wheat.

The large supply of Canadian wheat has had a depressing influence upon the United States market and about 16,000,000 bushels have been imported during the present crop year, upon about half of which duty has been paid and which has entered into domestic trade channels.

Cash prices have advanced consistently with the future prices. No. 1 northern spring wheat has sold for some time on a basis about 1 cent to 14 cents over the May future price while 13 per cent protein hard winter wheat has sold at about 13 cents to 14 cents over the May quotations.

The Corn Market

Corn prices in the future markets have advanced steadily since the first of the year and new high points have been reached almost daily during the past few weeks. Recently, however, the consuming trade have not followed the advancing prices as actively as earlier in the month and the market has shown some tendency to weaken. Future prices are on the level about 4 cents above that which prevailed at the corresponding time last year notwithstanding that the supply including that in the channels of trade and on the farms is probably now materially larger than last year. The visible supply in the principal markets is relatively small, being only about half as large as at the corresponding period of 1923. The production of corn for 1923 was estimated to be about 150,000,000 bushels larger than the 1922 crop. Up to the present time the receipts at the principal markets have been about 35 per cent less than for the corresponding period last year. This would indicate that considerably more corn remains to be marketed during the present crop year than for the same period last year unless larger amounts have been used upon the farms. This hardly seems probable with the reduction in the amount of livestock on farms recently reported by the Department of Agriculture unless the poor quality of the corn in parts of the Corn Belt makes it necessary to feed a much larger amount of corn to obtain results equal to those obtained from feeding the 1922 crop corn.

If the present heavy movement of hogs continues, the feed requirements on the farm will be further reduced which may result in a larger amount of corn than usual remaining to be marketed later in the season.

The demand for cash corn at the various markets has been equal to the receipts but it has recently become less active. Producers, however, have not sold freely and in many instances are reported to be holding for higher prices. The bad condition of the country roads has restricted movement to some extent in some sections.

The milling demand for white corn advanced prices for the better grades of this corn to a basis 2 cents to 3 cents over the yellow and

mixed grades earlier in the month. Most of these premiums have now disappeared and white, yellow and mixed corn are selling on nearly the same basis at most of the markets.

Oats Following Corn Prices

The oats market has followed closely the trend of prices in the corn market. The supply of oats both in the markets and on the farms has been less than last year and at times the oats market has displayed independent strength. There has been sufficient consuming and shipping demand present to absorb the offerings at the various markets, and stocks at the markets have accumulated slowly, so that the present visible supply is only about half of what it was at the corresponding time last year.

The rye market has been fairly firm in sympathy with other grains and the demand has been fairly active and sufficient to take care of the current receipts.

The barley market developed strength during the first half of February and new high prices for the crop to date were reached at Milwaukee during the second week of February when best grades of barley sold as high as 84 cents per bushel. Maltsters were the best buyers but shippers were also active competitors both at Milwaukee and Minneapolis.

The flax market advanced to \$2.61 per bushel for the May at Minneapolis during the week February 4-9 and spot grain sold from 3 cents under to 3 cents over the May price. Receipts of flax during the past few weeks have been very small as about 90 per cent to 95 per cent of the flax crop has already been marketed.

Timothy Prices Relatively Stronger Than Other Hay

The hay market has ruled fairly firm since the beginning of the New Year with a price level materially above that which prevailed at the corresponding time last year. During the first two weeks of February, however, the market weakened slightly and prices of all kinds of hay declined about \$1 per ton.

Timothy markets have been relatively firmer than the markets for other kinds of hay. This strength has been caused primarily by the smaller crop of timothy hay. About the usual amounts of timothy hay has been marketed up to the first of the year but because of the small crop relatively small amounts remained to be marketed during the remainder of the crop year. This small supply has been principally responsible for holding the prices on a level about \$5 above those of last year.

Eastern timothy markets have been relatively lower than the markets in the Central West because of rather large importations of Canadian hay. This hay has been received in fairly large amounts at New York, Boston and interior New England markets.

Colder weather in the Central West stimulated the demand during the first half of February and all arrivals have been well absorbed in the central western markets.

While alfalfa prices have had a steady advance since the beginning of the crop year and have been on a slightly higher level than last year the market has not exhibited as much strength as prevailed in the timothy markets. The supply of alfalfa hay this year was larger than last year because of more favorable weather conditions. Abundant rains caused good production but at the same time damaged the quality of large amounts of alfalfa in the southwest where a large percentage is marketed.

Because of the scarcity of high grade alfalfa on the markets and the abundance of the lower grades there was a wide range between the quotations for the choice qualities and the lower grades. Therefore, while choice hay has been quoted relatively higher than last year the lower grades, of which there was frequently an over supply, sold much lower.

There was only a limited demand for alfalfa hay early in the season because of the large stocks of local hay available but the recent storms and wintry weather have caused heavier feeding and improved the demand at the markets.

The prairie hay market has been influenced largely by the market position of timothy and alfalfa. Prices generally have been slightly above those of last year and the demand, with the exception of brief periods, has been equal to the receipts which have been about normal for this season of the year.